



General Assembly

Amendment

February Session, 2016

LCO No. 5836



Offered by:

SEN. FASANO, 34th Dist.

SEN. FRANTZ, 36th Dist.

To: House Bill No. **5378**

File No. 741

Cal. No. 521

"AN ACT CONCERNING THE STANDARD RATE OF WAGES."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 31-57f of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective October 1, 2016*):

5 (a) As used in this section: (1) "Required employer" means any
6 provider of food, building, property or equipment services or
7 maintenance listed in this subdivision whose rate of reimbursement or
8 compensation is determined by contract or agreement with the state or
9 any state agent: (A) Building, property or equipment service
10 companies; (B) management companies providing property
11 management services; and (C) companies providing food preparation
12 or service, or both; (2) "state agent" means any state official, state
13 employee or other person authorized to enter into a contract or
14 agreement on behalf of the state; (3) "person" means one or more
15 individuals, partnerships, associations, corporations, business trusts,

16 legal representatives or organized groups of persons; (4) "building,
17 property or equipment service" means any janitorial, cleaning,
18 maintenance, security or related service; (5) "prevailing rate of wages"
19 means the hourly wages paid for work performed within the city of
20 Hartford under the collective bargaining agreement covering the
21 largest number of hourly nonsupervisory employees employed within
22 Hartford County in each classification established by the Labor
23 Commissioner under subsection (e) of this section, provided the
24 collective bargaining agreement covers no less than five hundred
25 employees in the classification; (6) "prevailing rate of benefits" means
26 the total cost to the employer on an hourly basis for work performed
27 within the city of Hartford, under a collective bargaining agreement
28 that establishes the prevailing rate of wages, of providing health,
29 welfare and retirement benefits, including, but not limited to, (A)
30 medical, surgical or hospital care benefits; (B) disability or death
31 benefits; (C) benefits in the event of unemployment; (D) pension
32 benefits; (E) vacation, holiday and personal leave; (F) training benefits;
33 and (G) legal service benefits, and may include payment made directly
34 to employees, payments to purchase insurance and the amount of
35 payment or contributions paid or payable by the employer on behalf of
36 each employee to any employee benefit fund; (7) "employee benefit
37 fund" means any trust fund established by one or more employers and
38 one or more labor organizations or one or more other third parties not
39 affiliated with such employers to provide, whether through the
40 purchase of insurance or annuity contracts or otherwise, benefits
41 under an employee health, welfare or retirement plan, but does not
42 include any such fund where the trustee or trustees are subject to
43 supervision by the Banking Commissioner of this state or of any other
44 state, or the Comptroller of the Currency of the United States or the
45 Board of Governors of the Federal Reserve System; and (8) "benefits
46 under an employee health, welfare or retirement plan" means one or
47 more benefits or services under any plan established or maintained for
48 employees or their families or dependents, or for both, including, but
49 not limited to, medical, surgical or hospital care benefits, benefits in
50 the event of sickness, accident, disability or death, benefits in the event

51 of unemployment, retirement benefits, vacation and paid holiday
52 benefits, legal service benefits or training benefits.

53 (b) On and after July 1, 2000, the wages paid on an hourly basis to
54 any employee of a required employer in the provision of food,
55 building, property or equipment services provided to the state
56 pursuant to a contract or agreement with the state or any state agent,
57 shall be at a rate not less than the standard rate determined by the
58 Labor Commissioner pursuant to subsection (g) of this section.

59 (c) Any required employer or agent of such employer that violates
60 subsection (b) of this section shall pay a civil penalty in an amount not
61 less than two thousand five hundred dollars but not more than five
62 thousand dollars for each offense. The contracting department of the
63 state that has imposed such civil penalty on the required employer or
64 agent of such employer shall, within two days after taking such action,
65 notify the Labor Commissioner, in writing, of the name of the
66 employer or agent involved, the violations involved and steps taken to
67 collect the fine.

68 (d) The Labor Commissioner may make complaint to the proper
69 prosecuting authorities for the violation of any provision of subsection
70 (b) of this section.

71 (e) For the purpose of predetermining the standard rate of covered
72 wages on an hourly basis, the Labor Commissioner shall establish
73 classifications for all hourly nonsupervisory employees based on the
74 applicable occupation codes and titles set forth in the federal Register
75 of Wage Determinations under the Service Contract Act of 1965, 41
76 USC 351, et seq., provided the Labor Commissioner shall classify any
77 individual employed on or before July 1, 2009, as a grounds
78 maintenance laborer or laborer as a janitor, and shall classify any
79 individual hired after July 1, 2009, performing the duty of grounds
80 maintenance laborer, laborer or janitor as a light cleaner, heavy
81 cleaner, furniture handler or window cleaner, as appropriate, and shall
82 classify any individual employed on and after July 1, 2016, as a

83 housekeeping aide as a light cleaner. The Labor Commissioner shall
84 then determine the standard rate of wages for each classification of
85 hourly nonsupervisory employees which shall be (1) the prevailing
86 rate of wages paid to employees in each classification, or if there is no
87 such prevailing rate of wages, the minimum hourly wages set forth in
88 the federal Register of Wage Determinations under the Service
89 Contract Act, plus (2) the prevailing rate of benefits paid to employees
90 in each classification, or if there is no such prevailing rate of benefits, a
91 thirty per cent surcharge on the amount determined in subdivision (1)
92 of this subsection to cover the cost of any health, welfare and
93 retirement benefits or, if no such benefits are provided to the
94 employees, an amount equal to thirty per cent of the amount
95 determined in subdivision (1) of this [section] subsection, which shall
96 be paid directly to the employees. The standard rate of wages for any
97 employee entitled to receive such rate on or before July 1, 2009, shall
98 not be less than the minimum hourly wage for the classification set
99 forth in the federal Register of Wage Determinations under the Service
100 Contract Act plus the prevailing rate of benefits for such classification
101 for as long as that employee continues to work for a required
102 employer.

103 (f) Required employers with employees covered by collective
104 bargaining agreements which call for wages and benefits that are
105 reasonably related to the standard rate of wages shall not be
106 economically disadvantaged in the bidding process, provided the
107 collective bargaining agreement was arrived at through arms-length
108 negotiations.

109 (g) (1) The Labor Commissioner shall, in accordance with subsection
110 (e) of this section, determine the standard rate of wages for each
111 classification on an hourly basis where any covered services are to be
112 provided, and the state agent empowered to let such contract shall
113 contact the Labor Commissioner at least ten days prior to the date such
114 contract will be advertised for bid, to ascertain the standard rate of
115 wages and benefits and shall include the required number of hours
116 necessary for the performance of such contract and the standard rate of

117 wages and benefits on an hourly basis for all classifications of
118 employment in the proposal for the contract and shall include a
119 worksheet, in a form prescribed by the commissioner, listing the cost
120 details of such required number of hours. The standard rate of wages
121 [on an hourly basis] and benefits shall, at all times, be considered the
122 minimum rate for the classification for which it was established.

123 (2) Each required employer shall indicate in a proposal for a
124 contract or agreement with the state or any state agent for the
125 provision of food, building, property or equipment service whether the
126 employees providing such food, building, property or equipment
127 service are covered by collective bargaining agreements and, if so, such
128 required employer shall provide a copy of such collective bargaining
129 agreements to the state or state agent.

130 (h) Where a required employer is awarded a contract to perform
131 services that are substantially the same as services that have been
132 rendered under a predecessor contract, such required employer shall
133 retain, for a period of ninety days, all employees who had been
134 employed by the predecessor to perform services under such
135 predecessor contract, except that the successor contract need not retain
136 employees who worked less than fifteen hours per week or who had
137 been employed at the site for less than sixty days. During such ninety-
138 day period, the successor contract shall not discharge without just
139 cause an employee retained pursuant to this subsection. If the
140 performance of an employee retained pursuant to this subsection or
141 section 4a-82 is satisfactory during the ninety-day period, the successor
142 contractor shall offer the employee continued employment for the
143 duration of the successor contract under the terms and conditions
144 established by the successor contractor, or as required by law. The
145 provisions of this subsection shall not apply to any contract covered by
146 section 31-57g or subsections (n) and (o) of section 4a-82.

147 (i) Each required employer subject to the provisions of this section
148 shall (1) keep, maintain and preserve such records relating to the
149 wages and hours worked by each employee and a schedule of the

150 occupation or work classification at which each person is employed
151 during each work day and week in such manner and form as the Labor
152 Commissioner establishes to assure the proper payments due to such
153 employees, and (2) [annually] monthly or upon written request,
154 submit to the contracting state agent by mail, electronically or in such
155 other manner as prescribed by such state agent, a certified payroll
156 [which] that shall consist of a complete copy of such records
157 accompanied by a statement signed by the employer which indicates
158 that (A) such records are correct, (B) the rate of wages paid to each
159 employee is not less than the standard rate of wages required by this
160 section, (C) such employer has complied with the provisions of this
161 section, and (D) such employer is aware that filing a certified payroll
162 which it knows to be false is a class D felony for which such employer
163 may be fined not more than five thousand dollars or imprisoned not
164 more than five years, or both. Notwithstanding the provisions of
165 section 1-210, the certified payroll shall be considered a public record
166 and every person shall have the right to inspect and copy such record
167 in accordance with the provisions of section 1-212. The provisions of
168 subsections (a) and (b) of section 31-59, section 31-66 and section 31-69
169 which are not inconsistent with the provisions of this section shall
170 apply. Any person who files a false certified payroll in violation of
171 subdivision (2) of this subsection shall be guilty of a class D felony for
172 which such person may be fined not more than five thousand dollars
173 or imprisoned not more than five years, or both.

174 (j) This section shall not apply to contracts, agreements or grants
175 which do not exceed forty-nine thousand nine hundred ninety-nine
176 dollars per annum.

177 (k) On receipt of a complaint for nonpayment of the standard rate of
178 wages, the Labor Commissioner, the Director of Wage and Workplace
179 Standards and wage enforcement agents of the Labor Department shall
180 have power to enter, during usual business hours, the place of
181 business or employment of any employer to determine compliance
182 with this section, and for such purpose may examine payroll and other
183 records and interview employees, call hearings, administer oaths, take

184 testimony under oath and take depositions in the manner provided by
185 sections 52-148a to 52-148e, inclusive. The commissioner or the
186 director, for such purpose, may issue subpoenas for the attendance of
187 witnesses and the production of books and records. Any required
188 employer, an officer or agent of such employer, or the officer or agent
189 of any corporation, firm or partnership who wilfully fails to furnish
190 time and wage records as required by law to the commissioner, the
191 director or any wage enforcement agent upon request or who refuses
192 to admit the commissioner, the director or such agent to a place of
193 employment or who hinders or delays the commissioner, the director
194 or such agent in the performance of any duties in the enforcement of
195 this section shall be fined not less than twenty-five dollars nor more
196 than one hundred dollars, and each day of such failure to furnish time
197 and wage records to the commissioner, the director or such agent shall
198 constitute a separate offense, and each day of refusal of admittance, of
199 hindering or of delaying the commissioner, the director or such agent
200 shall constitute a separate offense.

201 (l) Notwithstanding subsection (j) of this section, any employer that
202 pays the state for a franchise to provide food preparation or service, or
203 both, for the state shall be required to certify that the wages and
204 benefits paid to its employees are not less than the standard rate
205 established pursuant to this section, provided, if no prevailing rate of
206 wages or benefits was in effect at the time the state entered into a
207 franchise agreement, then the employer shall not be required to pay
208 the prevailing rate of wages or benefits during the life of the
209 agreement, unless the agreement is amended, extended or renewed.

210 (m) The Labor Commissioner may adopt regulations, in accordance
211 with chapter 54, to carry out the provisions of this section.

212 (n) The provisions of this section and any regulation adopted
213 pursuant to subsection (m) of this section shall not apply to any
214 contract or agreement entered into before July 1, 2000."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2016</i>	31-57f